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Honorable William J. Casey Director Central Intelligence Agency Washington, DC 20505

Dear Mr. Casey:

The intent of this letter is to seek your assistance in creating an awareness within your agency of the importance of silver recovery and particularly of the current techniques and Government facilities which are available for the recovery of silver from used photographic fixing solution and scrap film. The economics of recovery is no longer the major factor for consideration that it was in 1965 when the value of silver was \$1.20 per troy ounce. In the intervening years the value has increased to an amount exceeding \$10 per troy ounce, which now permits economic recovery even by those facilities generating small volumes of used photographic solution or scrap film. The ever increasing consumption of silver, of which there is a limited supply, warrants a positive reclamation program.

We have known that uncontrolled burning of scrap film will pollute the air. In recent years we have learned that used photographic fixing solution is a pollutant and that its improper disposal will endanger aquatic life. These are certainly strong additional incentives for a silver recovery program which also makes a significant contribution to the conservation of energy. In this respect, the energy expended in the extracting, transporting, and processing of virgin silver almost invariably exceeds the cost of recovery for scrap silver. Thus our failure to maintain and control an effective silver recovery program could have an adverse effect on the environment and energy conservation.

Notwithstanding our joint efforts over the years, and there are some notable accomplishments, the semiannual reports submitted to the General Services Administration (GSA) indicate that silver recovery is not given the attention it deserves, that recovery is generally not being maximized, and that there is substantial room for improvement. In conjunction with our responsibility to monitor the Government's silver recovery program and to publicize the merits of recovery, we have prescribed recovery and reporting procedures in FPMR 101-42.3.

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The procedures have been periodically refined to reflect the recommendations of the General Accounting Office, which manifests continued interest in the progress of this program.

As a first step in reemphasizing the requirement for establishing a silver recovery program, I am requesting that you transmit the following enclosed material covering various aspects of the program to cognizant personnel within your organization:

- a. FPMR Subpart 101-42.3. Recovery of Precious Metals and Critical Materials
- b. GSA Bulletin FPMR H-31 Subject: Recovery and Sale of Silver From Photographic Processing Scrap
- c. GSA Bulletin FPMR H-32 Subject: Standard Form 291, Report of Activities Generating Precious Metals
- d. GSA Bulletin FPMR H-34 Subject: Precious Metals Recovery

The bulletins restate various provisions of Subpart 101-42.3 of the Federal Property Management Regulations covering silver recovery such as (a) the responsibility of heads of agencies to establish, maintain, and pursue a silver recovery program; (b) types of assistance provided by GSA; and (c) a summary of the semiannual reporting requirement.

Secondly, when submitting the March 31, 1981, semiannual report due May 15, 1981, please furnish the Commissioner, Federal Property Resources Service, GSA, a copy of your listing of photographic facilities by organization and location together with a copy of the most recent survey report covering each facility. This is a one-time submission and the data will establish a baseline from which to measure future performance and to determine if GSA is providing adequate support. When submitting the requested information, please include the name of the individual you have designated to coordinate your silver recovery program as required by FPMR 101-42.301-1.

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I will appreciate your continued interest in alerting cognizant personnel to the merits of silver recovery and motivating an improved level of performance.

Sincerely,

THE PARTY

Enclosures

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SUBPART 101-42.3

RECOVERY OF PRECIOUS METALS AND CRITICAL MATERIALS

101 -42.302-1

Subpart 101–42.3—Recovery of Precious Metals and Critical Materials

§ 101-42.300 Scope of subpart.

This subpart prescribes the policy and procedures for recovery of precious metals and strategic and critical materials from articles of excess personal property.

§ 101-42.301 General.

GSA is responsible for the initiation of Government-wide precious metals and strategic and critical materials recovery programs, and for the issuance and administration of applicable contracts. except those issued and administered by the Department of Defense (DOD) for precious metal recovery and refinement operations. Situations will occur where, in terms of economy, efficiency, and environmental quality, it is in the best interest of the Government to recover precious metals and strategic and critical materials from articles of excess personal property instead of using other methods of disposal, GSA will determine when Government-wide recovery is appropriate on the basis of an evaluation of the supply-demand factor, the price of the commodity, the cost of recovering the precious metal or strategic and critical material, and applicable guidelines or regulations on pollution control. Precious metals that may be designated for recovery are gold. silver, and metals in the platinum group. Examples of silver-bearing scrap and waste include used photographic fixing (hypo) solution, photographic and X-ray film, silver alloys, and dental scrap. Strategic and critical materials, lists of which may be issued from time to time as provided in § 101-14.106, also may be designated for recovery.

§ 101-42.301-1 Guidelines for conducting agency surveys and reporting to GSA.

Each agency having activities that generate silver or other precious metals (including used hypo solution, scrap film, and other precious-metal-bearing scrap) shall survey each of those activities to obtain information regarding precious metals recovery and potential recovery and shall submit a

consolidated semiannual report (based on fiscal year) on that information to the General Services Administration (DPR). Washington, DC 20406. The consolidated report shall be submitted within 45 calendar days after the end of each half fiscal year reporting period. Each agency shall designate an individual to be responsible for coordinating the surveys, implementing and improving recovery procedures, monitoring the recovery programs, and submitting the consolidated report to GSA. Section 101–42.4901–291 illustrates Standard Form 291. Report of Activities Generating Precious Metals (interagency report control number 1529-GSA-SA). The report shall contain specific information regarding the types of silver or other precious-metal-bearing scrap processed or generated; the number of activities generating silver or other precious-metal-bearing scrap and quantity generated; the estimated amounts potentially recoverable and method of estimation; the number of activities recovering precious metals from the scrap and quantity generated; the amount of precious metals recovered in troy ounces; the type of recovery equipment and method of disposition of recovered silver; the method of disposal if precious metals are not recovered; the explanation for any lack of recovery; the agency estimate of dollar savings for the report period; and any actions planned to maximize recovery.

§ 101-42.301-2 [Deleted]

§ 101–42.302 Recovery of silver from used hypo solution and scrap film.

Heads of executive agencies shall be responsible for establishing, maintaining, and pursuing a program for silver recovery from used hypo solution and scrap film.

§ 101-42.302-1 Agency responsibility.

Each agency shall consider recovering silver regardless of the quantity of used hypo solution or scrap film generated. Installation of a silver recovery unit consistent with the analitity of used hypo solution generated or storage of used hypo solution or scrap film until a processable quantity is obtained are two alternatives. If an activity generates

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101-42.302-1

small quantities of hypo solution and tests show that there is a minimal amount of silver per gallon of solution, arrangements should be made with another activity in the area, which is using a recovery unit, to receive and process its used hypo solution to the extent feasible. When consolidation with other activities is not practicable and information and assistance with regard to recovery techniques are required, the GSA regional office serving the area or the Defense Logistics Agency (DLA) (in accordance with § 101-42.303) should be contacted. If it is determined that the silver cannot be recovered economically by Government-owned equipment or by a commercial recovery contractor, the solution or scrap film should be disposed of in accordance with Part 101-45 and in an environmentally acceptable manner.

§ 101-42,303-2 General guidelines for the recovery of silver from used hypo solution.

The basic factors that determine the potential quantity of recoverable silver are: (a) The amount of used hyposolution generated; (b) the amount and type of film processed; and (c) the physical layout of the photographic facility. Since these factors may vary for each activity, a single method of recovery cannot be prescribed. Used hypo solution should be processed to recover the maximum amount of silver from the solution, consistent with overall economic feasibility and environmental considerations. Recovery can be effected either by Governmentowned equipment or through use of commercial recovery contracts. Metallic replacement or electrolytic methods may be used. Various types of recovery equipment are available which permit economic silver recovery from both large and small quantities of used hypo solution.

§ 101–42.302–3. General guidelines for the recovery of silver from scrap film.

Scrap film, the silver content of which varies according to the type of film and degree of exposure, is a source for recovery. A common method of recovery

is periodic disposal of accumulated film by sale in accordance with Part 101–45. Another method of recovering silver is through the destruction of scrap film by burning and reducing it to ash, which can provide economy through savings in transportation costs as well as the conservation of the silver. This must be done by controlled burning without an open flue. Recovery onsite by this method should be accomplished only at those activities or installations where adequate facilities exist and the local code on burning permits it.

§ 101-42.302-4 Detailed guidelines for recovery of silver from used hypo-solution and scrap film.

Detailed guidelines and economic criteria for evaluating silver recovery potential and establishing recovery programs are contained in the GSA pamphlet "Guide for the Recovery of Silver from Used Fixing Solution and Scrap Film" (FPMR 101-42.3), copies of which may be obtained from GSA regional offices or from agency publications liaison-officers.

§ 101-42.303 Recovery and utilization of precious metals through the Defense Precious Metals Recovery Program.

Civilian agencies may utilize the Defense Precious Metals Recovery Program as prescribed in this § 101.42.303.

§ 101-42.303-1 Recovery of precious metals through the Defense Property Disposal Precious Metals Recovery Office (DPDM-R).

Civilian agency activities which generate precious-metal-bearing scrap may utilize DPDM-R, which is a part of DLA. Accumulations of precious-metal-bearing scrap such as silver-cell batteries, missile and electronic parts, silver turnings, dental scrap, film scrap, and silver studge recovered from used hypo solution, should be reported by letter to the Chief, Defense Property Disposal Precious Metals Recovery Office, Naval Weapons Station, Earle, Colts Neck, NJ 07722, with a request for shipping instructions. Shipping

(NEXT PAGE IS 4206.1)

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SUBPART 101-42.3 RECOVERY OF PRECIOUS METALS AND CRITICAL MATERIALS

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instructions will be furnished the activity by the DPDM-R within 30 calendar days following receipt of the request. Participating civilian agencies are entitled to requisition refined precious metals for use as Government-furnished material (GFM) to reduce new procurement costs in accordance with \$ 101-42.303-2. For additional information or recovery assistance, DLA may be contacted at the following address: DOD Precious Metals Recovery Program Manager, Attn: DLA-SIP, Cameron Station, Alexandria, VA 22314.

§ 101-42.303-2 Utilization of DODrecovered precious metals as Governmentfurnished materials (GFM) in Federal procurements.

To determine the need for recovered precious metals as GFM to reduce new procurement costs, each agency shall review procurements for which precious metals will be required by a contractor. Each agency having requirements for refined precious metals as GFM should submit a request to the Commander, Defense Industrial Supply Center, Attn.

DISC-ODBA/YC, 700 Robbins Avenue. Philadelphia, PA 19111. Each agency requesting precious metals under the DOD precious metals recovery program shall also contribute any generated accumulations of silver, gold, platinum, and the platinum group metals (i.e., palladium, iridium, rhodium, osmium, ruthenium) to DPDM-R in accordance with § 101-42.303-1. Normally, the amount of precious metals authorized for sale to individual civilian agencies will not be restricted, except in those instances when the precious metal involved is not available in sufficient quantities to satisfy all requirements. No minimum ordering quantity is prescribed. Requiring activities will contact DISC to assure asset availability prior to the requisitioning of any quantity of precious metal other than silver. Advance inquiry for silver should be made only when requirements exceed 5,000 troy ounces. There is a nominal charge for the refined precious metals to cover the administrative and processing costs; however, such costs are substantially lower than the current market price of precious metals.

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GENERAL SERVICES ADMINISTRATION WASHINGTON, D. C. 20405

August 2, 17/7

GSA BULLETIN FPMR H-31 UTILIZATION AND DISPOSAL

TO : Heads of Federal agencies

SUBJECT: Recovery and sale of silver from photographic processing scrap

- 1. <u>Purpose</u>. This bulletin describes available GSA contracts concerning the recovery of silver from photographic processing scrap.
- 2. Expiration date. This bulletin contains information of a continuing nature and will remain in effect until canceled.
- 3. Background. FPMR 101-42.302 assigns to heads of executive agencies responsibility for establishing, maintaining, and pursuing a program for the recovery of silver from used hypo solution and scrap film. GSA provides certain contracts to assist agencies in carrying out this responsibility.
- 4. Types of GSA silver recovery contracts available.
- a. Sale and removal of scrap silver. Each GSA regional Personal Property Division, Federal Property Resources Service, awards and administers contracts as needed for the sale and removal of used hypo solution, silver recovered from used hypo solution, and scrap film.
- b. Silver recovery potential surveys. GSA provides nation-wide contracts for "Technical Surveys of Photographic Processing Facilities to Determine Silver Recovery Potential" to assist agencies in evaluating the efficiency of their silver recovery programs and the potential for improvement and expansion of these programs.
- 5. Assistance. Agencies may obtain further information and assistance from the Personal Property Division in the appropriate GSA regional office.

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ROY MARKON Commissioner, Federal Property Resources Service

GSA DC-01906937

On file GSA release instructions apply

GENERAL SERVICES ADMINISTRATION WASHINGTON, D. C. 20405

August 2, 1979

GSA BULLETIN FPMR H - 32 UTILIZATION AND DISPOSAL

: Heads of Federal agencies TO

SUBJECT: Standard Form 291, Report of Activities Cenerating

Precious Metals

1. Purpose. This bulletin announces the availability of the new Standard Form 291, Report of Activities Generating Precious Metals, dated April 1979.

2. Expiration date. This bulletin expires December 31, 1979. However, the Standard form announced by this bulletin will remain in effect until canceled or superseded.

General.

- FPMR 101-42.302 assigns to heads of executive agencies responsibility for establishing, maintaining, and pursuing a program for the recovery of silver from used hypo solution and scrap film.
- FPMR 101-42.301-1 requires each agency generating silver or other precious metals to survey their generating activities regarding precious metals recovery and recovery potential, and to submit a consolidated semiannual report on these activities to the General Services Administration (DPR), Washington, DC 20406. Standard Form 291 has been designed to aid in the surveying and reporting of the required data.
- Availability of the new Standard Form 291. Supplies of the new Standard Form 291, April 1979, Report of Activities Generating Precious Metals, may be obtained by submitting a requisition in FEDSTRIP/MILSTRIP format to the GSA regional office providing support to the requesting activity. It is anticipated that copies of the new Standard Form 291 will be available for use by November 19, 1979. The requisition should include the national stock number 7540-01-075-8167.

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Commissioner, Federal Property Resources Service

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GENERAL SERVICES ADMINISTRATION Washington, DC 20406

April 14, 1980

GSA BULLETIN FPMR H-34 UTILIZATION AND DISPOSAL

TO : Heads of Federal agencies

SUBJECT: Precious metals recovery

- 1. <u>Purpose</u>. This bulletin reemphasizes the importance of recovering precious metals and strategic and critical materials from articles of excess personal property.
- 2. Expiration date. This bulletin contains information of a continuing nature and will remain in effect until canceled.

Background.

- a. A U.S. General Accounting Office report dated

 December 28, 1977, entitled "Additional Precious Metals Can

 be Recovered," (LCD-77-228) recommended that GSA take action

 to improve Federal agency silver recovery programs.
- b. FPMR 101-42.3 provides the policy and procedures for the recovery of precious metals and critical materials, and prescribes that heads of executive agencies are responsible for establishing, maintaining, and pursuing a program for the recovery of silver from used hypo solution and scrap film.
- c. FPMR 101-42.301-1 requires each agency generating silver or other precious metals to survey its generating activities regarding precious metals recovery and recovery potential, and to submit a consolidated semiannual report on these activities to General Services Administration (DPR), Wash Approved For Release 2005/12/14/nCV5-RDRB4E60890Req020865089114/he end

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of each half fiscal year reporting period. Standard Form 291, Report of Activities Generating Precious Metals, is designed to aid in the surveying and reporting of the required data.

- 4. Agency action. In view of the substantial increase in the value of precious metals, agency heads should ensure that appropriate action is being taken to maximize precious metal recovery.
- 5. <u>GSA assistance</u>. Agencies may obtain additional information concerning this bulletin by writing the General Services Administration (DP), Washington, DC 20406, or by calling the Office of Personal Property (DP), Federal Property Resources Service, telephone 703-557-0466.

ROY MARKON Commissioner